

MWDBE COMPLIANCE REQUIREMENTS

A. Ordinances establishing and governing MWDBE Activities

- Ordinance 84-1309
- Ordinance 89-226
- Ordinance 95-336

B. Purpose of MWDBE Program

To create an equal opportunity for all companies within the Houston area to participate in City-financed business operations.

C. Compliance activities before a contract is awarded

- Select City of Houston certified MWDBEs that will be used to achieve the goal
- Send letters of intent to all MWDBEs that you plan to use on the project, with the scope of work and contract amount
 - Submit an MWDBE plan to user department ten (10) days after being notified by the City that company is low bidder
- Send a list of MWDBEs to the Affirmative Action Division and copies of the Letter of Intent

D. Prime contractor report requirements after a contract award

The MWDBE goal participation will be monitored through the web based MWDBE Management and Contract Compliance System ("The System"). All payments to MWDBE contractors and progress of MWDBE participation will be monitored through "The System".

Prime contractors and MWDBE contractors are required to update the utilization information timely for review and audit on line.

1. Only companies certified by the Affirmative Action Office will be counted toward the MWDBE/PDBE goal. **CREDIT FOR PARTICIPATION WILL BE GIVEN ONLY IN THE SPECIFIC CATEGORY OF CERTIFICATION LISTED.**
2. Only 50% of the MWDBE goal can be used for supplies.
3. Ordinance 95-336 Article V states "After execution of a contract or receipt of a purchase order, the contractor shall comply with the submitted MWDBE plan, unless it has received approval from the Director of Affirmative Action for a deviation from the original plan". The contractor should direct MWDBE Plan Deviation requests to the Director of Affirmative Action and Contract Compliance, Post Office Box 1562, Houston, Texas 77251-1562. Request should include alternate MWDBE firm or plan to meet the contract goal.

E. Request for deviation from an original list of MWDBEs

Contractors shall be bound by the submitted list/plan of MWDBEs, unless a request is made to the Director of the Affirmative Action Division and a waiver is approved by the Director.

F. Achieving the goal

- Only companies **certified** by the Affirmative Action Division will be counted toward the participation goal. The City provides a Directory of certified companies for use by contractors in meeting MWDBE goals.
- Credit for participation will be given only in the specific category of certification listed in the MWDBE directory.
- The percentage goal applies to the value of the contract which includes the value of any amendments or change orders.
- Only 50% of the total construction project goal can be achieved through the purchase of materials and supplies.
- An MWDBE cannot subcontract part or all of his/her contract to a non-MWDBE and have it counted toward the goal.
- MWDBE must use its work force to perform work on goal oriented projects.
- The goal must be achieved, or documented good faith efforts must be submitted to the Director of the Affirmative Action Division for review and approval.
- Contractors that do not achieve the goal or present good faith efforts may receive an unsatisfactory rating which may lead to sanctions against the contractor.

G. Prime contractor's payment requirements to MWDBEs

Chapter 2251 of the State Government Code requires payment to subcontractors and suppliers within ten (10) days of receipt of the prime contractor's payment.